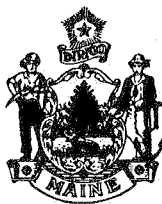


MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 179

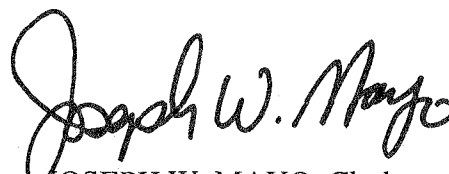
H.P. 137

House of Representatives, January 14, 1997

An Act to Clarify Medicaid Reimbursement for Acadia Hospital Corporation.

(EMERGENCY)

Reference to the Committee on Health and Human Services suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative CAMPBELL of Holden.
Cosponsored by Senator MURRAY of Penobscot and
Representatives: BAKER of Bangor, BRAGDON of Bangor, FISHER of Brewer,
PLOWMAN of Hampden, SAXL of Bangor, TREADWELL of Carmel, Senator: RUHLIN of
Penobscot.

2 **Emergency preamble. Whereas,** Acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

4
6 **Whereas,** Acadia Hospital Corporation, a not-for-profit,
100-bed psychiatric hospital located in Bangor, opened on August
27, 1992 and began serving Medicaid patients pursuant to the
8 terms of a provider enrollment agreement executed with the
Department of Human Services; and

10
12 **Whereas,** subsequent to the providing of services and the
rendering of payment to Acadia Hospital Corporation with respect
to such services, questions have arisen regarding the proper
14 interpretation of certain underlying rules and provider
agreements; and

16
18 **Whereas,** clarification of these interpretive issues and
accompanying financial questions is critical to the financial
stability of Acadia Hospital Corporation and to the ongoing
20 provision of needed psychiatric services to patients in the
hospital service area; and

22
24 **Whereas,** in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
26 necessary for the preservation of the public peace, health and
safety; now, therefore,

28
30 **Be it enacted by the People of the State of Maine as follows:**

32 **Sec. 1. 22 MRSA §1812-I is enacted to read:**

34 **§1812-I. Reimbursement for new psychiatric hospitals**

36 The following provisions govern the reimbursement of a
psychiatric hospital that begins operation after July 31, 1992,
referred to in this section as a "new psychiatric hospital."

38
40 **1. Provider agreement.** If the department and a new
psychiatric hospital have executed a provider enrollment
agreement that, by its terms, affords the hospital Medicaid
reimbursement for all Medicaid patients admitted on or after the
date the hospital begins operation;

44 **A.** That provider agreement must be honored; and

46 **B.** The hospital must be extended Medicaid payments for all
48 patients treated under that agreement.

